

Name as shown on return

Federal Employer I.D.

Schedule CR:
Computation Of Tax Due
For Corporations Filing A
Consolidated Return Using The Combined Report Method

**Corporations Having
Activity Within
North Dakota**

Corporation A	Name ➤	Federal Employer I.D. ➤
Corporation B	Name ➤	Federal Employer I.D. ➤
Corporation C	Name ➤	Federal Employer I.D. ➤

Part I: Computation Of Income Tax Due:

Before starting Part I of this schedule, complete Lines 1-5 on Form 40, Page 1

	Corporation A	Corporation B	Corporation C
5. North Dakota apportionable income (Enter amount in Columns A, B & C from Form 40, Page 1, Line 5)			
6. Apportionment factor (Enter factor from Part II, Line 14)	6	6	6
7. Income apportioned to North Dakota (Line 5 multiplied by Line 6)	7	7	7
8. Income allocated to North Dakota \$ <input type="text"/> less related expenses \$ <input type="text"/>	8	8	8
9. North Dakota income (Add Lines 7 and 8)	9	9	9
10. Federal tax deduction (Enter amount from Part III, Line 17)	10	10	10
11. Subtotal (Subtract Line 10 from Line 9)	11	11	11
12. Exemption for New and Expanding Business (Attach worksheet) (See instructions, Form 40, Line 12)	12	12	12
13. North Dakota income after Federal tax deduction & Exemption for New and Expanding Business (Subtract Line 12 from Line 11)	13	13	13
➤ <input type="checkbox"/> If the amount on line 13 is a loss, check this box to forgo the carryback period			
14. North Dakota loss carryforward (Attach worksheet) (See instructions, Form 40, Line 14)	14	14	14
15. Balance (Subtract Line 14 from Line 13)	15	15	15
16. Recapture of Federal alternative minimum tax (Enter amount from Part IV, Line 11)	16	16	16
17. North Dakota taxable income (Subtract Line 16 from Line 15)	17	17	17
18. Income Tax Due (See tax rate table on Form 40, page 1)	18	18	18

18a. **Total Income Tax Due** (Add amounts on Line 18, Columns A, B & C, and enter the total amount here and on Form 40, Page 1, Line 18 and complete Lines 19 through 27, on Form 40)

(GA)

18a

Instructions For Consolidated Return Using The Combined Report Method

- All corporations filing a consolidated North Dakota return, (i.e., those corporations checking either box b1 or box b2 on Form 40, Page 1, Line 1) must complete the four parts of Schedule CR and attach the completed schedule to Form 40 when filed.
- On the top of this page, space has been provided for three corporations (corporations A, B & C) having activity within North Dakota. If space is needed for additional corporations having activity within North Dakota, additional copies of Schedule CR can be obtained by photocopying all four parts of this original schedule or by requesting additional copies from the Office of State Tax Commissioner.
- Complete Form 40, Page 1, Lines 1-5 before starting to complete Schedule CR, Part I.
- Schedule CR has been designed so that the instructions for Form 40 in the booklet also apply to the line numbers on Schedule CR. For example, the instructions for Form 40, Page 1, Lines 5-18 also apply to Schedule CR, Part I, Lines 5-18.
- After completing Schedule CR, Part I, certain totals must be entered on Form 40. For each Line 8, 12, and 14, total the amounts for all corporations included on Schedule CR, Part I. Enter the total from Line 8 onto Line 8 of Form 40, Page 1; enter the total from Line 12 onto Line 12 of Form 40, Page 1; enter the total from Line 14 onto Line 14 of Form 40, Page 1.

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Schedule CR, Part II: Computation Of Factor**For Corporations Filing A Consolidated Return Using The Combined Report Method**

Property Factor: Average value at original cost of real and tangible personal property used in the business
(Exclude value of construction in progress)

Average Property:	Everywhere Average Property of All Corporations Being Combined	North Dakota Average Property		
		Corporation A	Corporation B	Corporation C
1. Inventories	1			
2. Buildings and Other Depreciable Assets	2			
3. Depletable Assets	3			
4. Land	4			
5. Other Assets	5			
6. Rental Property (annual rental capitalized x 8)	6			
7. Total Property (Add Lines 1 through 6)	7			
7a. Property Factor (Divide N.D. Total Average Property by Total Everywhere Average Property)		7a	— . — . — . — .	— . — . — . — .
7b. Total Property Factor (Add amounts on Line 7a, Columns A, B & C)			7b	— . — . — . — .

Payroll Factor: Wages, salaries, commissions and
other compensation

	Everywhere Payroll All Corporations Being Combined	North Dakota Payroll		
		Corporation A	Corporation B	Corporation C
8. Payroll	8			
8a. Payroll Factor (Divide N.D. Payroll by Everywhere Payroll)		8a	— . — . — . — .	— . — . — . — .
8b. Total Payroll Factor (Add amounts on Line 8a, Columns A, B & C)			8b	— . — . — . — .

Sales Factor:

	Everywhere Sales All Corporations Being Combined	North Dakota Sales		
		Corporation A	Corporation B	Corporation C
9. Everywhere Sales	9			
10. Sales delivered or shipped to North Dakota destinations		10		
11. Sales shipped from North Dakota to:				
(a) The United States Government		11a		
(b) Purchasers in a state or foreign country where the taxpayer was not subject to a net income tax or a tax measured by net income, or if subject, did not actually pay such tax		11b		
(c) Total North Dakota Sales (Add Lines 10, 11a and 11b)		11c		
12. Sales Factor (Divide Total N.D. Sales by Everywhere Sales)		12	— . — . — . — .	— . — . — . — .
12a. Total Sales Factor (Add amounts on Line 12, Columns A, B & C)			12a	— . — . — . — .
13. Sum of the Factors (Add Lines 7a, 8a and 12)		13	— . — . — . — .	— . — . — . — .
14. Apportionment Factor (Divide Line 13 by the number of factors having an amount greater than zero in the everywhere column, on Lines 7, 8 and 9) (Enter factor here and on Part I, Line 6, and Part III, Line 11)		14	— . — . — . — .	— . — . — . — .
14a. Total Factor (Add amounts on Lines 7b, 8b and 12a. Divide the sum by three, and enter the total amount here and on Form 40, Page 1, Line 6)			14a	— . — . — . — .

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**Schedule CR, Part III: Computation Of Federal Income Tax Deduction
For Corporations Filing A Consolidated Return Using The Combined Report Method**

1. Federal income tax liability (See instructions in Booklet for Schedule E) (EA)	1	
1a. Federal alternative minimum tax liability (See instructions in Booklet for Schedule E) (EG)	1a	
1b. Adjusted Federal income tax liability (Subtract Line 1a from Line 1)	1b	
2. Separate company Federal income tax liability (Attach worksheet - See instructions)	2	
3. Profit companies Federal income tax liability (Attach worksheet - See instructions)	3	
4. Ratio: (Divide Line 2 by Line 3. Not to exceed 1.000000)	4	-. - - - -
5. Separate company share of Federal income tax liability (Multiply Line 1b by Line 4) (See instructions) (EB)	5	
6. Federal taxable income (See instructions)	6	
7. Income not taxable to North Dakota (See instructions)	7	
8. Balance (Subtract Line 7 from Line 6)	8	
9. Ratio: (Divide Line 8 by Line 6. Not to exceed 1.000000)	9	-. - - - -
10. Federal tax on Federal taxable income reportable to North Dakota (Multiply Line 5 by Line 9) (Enter here and in Columns A, B & C) (CK)	10	

Additional Information Regarding The Filing Of A Consolidated North Dakota Return Using The Combined Report Method Is Contained In North Dakota Century Code § 57-38-14(11) and North Dakota Administrative Code §§ 81-03-05.1-08, 81-03-05.2 and 81-03-05.3.

Corporations using the combined report method and claiming a Federal foreign tax credit, skip Line 11 and use Lines 12-16. Other corporations must use Line 11.

11. North Dakota Apportionment Factor (Enter factor from Part II, Line 14)	11	-. - - - -	-. - - - -	-. - - - -
12. North Dakota income (Enter amount from Part I, Line 9) (If zero or less, skip Lines 13 through 16 and use Line 11)	12			
13. Total income (If zero or less, skip Lines 14 through 16 and use Line 11 of this schedule) (See instructions in Form 40, Schedule E, Combined Report Method, Page 7, Line 13)	13			
14. Income relating to Foreign Tax Credit (If zero, skip Lines 15 and 16 and use Line 11) (See instructions in Form 40, Schedule E, Combined Report Method, Page 7, Line 14)	14			
15. Income relating to Federal income tax paid (Subtract Line 14 from Line 13) (If zero or less, skip Line 16 and use Line 11)	15			
16. Federal income tax ratio (Divide Line 12 by Line 15 and go to Line 17. Not to exceed 1.000000)	16	-. - - - -	-. - - - -	-. - - - -

Corporation A Corporation B Corporation C

**Complete Line 11 or Line 16
But Not Both**

16a. Total Federal income tax ratio (Add amounts on Line 16, Columns A, B & C) (EC)	16a	-. - - - -
17. Federal income tax deduction (Multiply Line 10 by either Line 11 or Line 16. Enter here and on Part I, Line 10)	17	
17a. Total federal income tax deduction (Add amounts on Line 17, Columns A, B & C and enter the total amount here and on Form 40, Page 1, Line 10) (ED)	17a	

Instructions For Schedule CR, Part III

- Schedule CR, Part III has been designed so that the instructions for Form 40, Schedule E under "Combined Report Method" in the booklet also apply to the line numbers on Part III.
- After completing Schedule CR, Part III, the total from Line 17a must be entered on Form 40, Page 1, Line 10.

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**Schedule CR, Part IV: Computation Of Recapture And Carryforward Of Federal AMT Disallowed
For Corporations Filing A Consolidated Return Using The Combined Report Method**

1. 1996 Federal alternative minimum tax (AMT) disallowed (Enter amount from Schedule CR, Part III, Line 1a) ..
2. Ratio from Schedule CR, Part III, Line 4, if no ratio on Line 4, enter 1.000000
3. Multiply Line 1 by Line 2
4. Ratio from Schedule CR, Part III, Line 9
5. Multiply Line 3 by Line 4
6. N.D. Apportionment Factor (Enter factor from Sch. CR, Part III, Line 11 or Line 16)
7. Subtotal (Multiply Line 5 by Line 6)
8. Carryforward of previously disallowed Federal AMT (Attach worksheet).....
9. Total Federal AMT Disallowed (Add Lines 7 and 8)

1	
2	—'— — — — —
3	
4	—'— — — — —
5	

	Corporation A	Corporation B	Corporation C
6	—'— — — — —	—'— — — — —	—'— — — — —
7			
8			
9			

Corporations claiming a Federal consolidated credit for prior year minimum tax on the 1996 Federal return, complete Lines 10-12. Other corporations enter the amount from Line 9 on Line 12.

10. Balance (Enter amount from Schedule CR, Part I, Line 15)
11. **Subtotal** (If the amt. on Line 10 is zero or less, enter zero here and on Part 1, Line 16) (If the amount on Line 10 is greater than zero, enter the smaller of line 9 or 10 here and on Part I, Line 16)
- 11a. Total recapture of Federal AMT Disallowed (Add amounts on Line 11, Columns A, B & C and enter the total amount here and on Form 40, Page 1, Line 16).....

10			
11			

11a

12. Available carryforward of Federal AMT Disallowed (Subtract Line 11 from Line 9 if completing Lines 10 and 11).....

12			
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- 12a. Total available carryforward of Federal AMT Disallowed (Add amounts on Line 12, Columns A, B & C)

(RA)

12a

Instructions For Schedule CR, Part IV

- Schedule CR, Part IV has been designed so that the instructions for Form 40, Schedule AMT-R in the booklet also apply to this part of Schedule CR .
- After completing Schedule CR, Part IV the total from Line 11a must be entered on Form 40, Page 1, Line 16.

100% North Dakota Corporations Required To File A Consolidated North Dakota Tax Return Using The Combined Report Method, And Multistate Apportioning Corporations Filing A Consolidated North Dakota Tax Return Using The Combined Report Method Should Refer To The Inside Front Cover Of The Form 40 Booklet For More Information.